

Export Outlook for Solid Wood Products

Revised FY 2004 Forecast:  \$200 Million to \$5.5 Billion

Initial FY 2005 Projection: \$5.6 Billion

Revised FY 2004 Forecast

Key Developments

- Exports to China increase mainly due to hardwood demand from its furniture industry

Initial FY 2005 Projection

Key Upside Developments

- Exports to Canada to remain strong due to re-export demand created by U.S. housing market

Key Downside Developments

- Softwood exports to EU and Japan decline due to strong EU production

Wild Cards

- China's continued economic growth, which fuels its domestic furniture demand

